

aller
NAME

CODE 77

PHONE

CONTINENTAL CABLEVISION SURVEY - 05-03-96

VERSION 4 B

HELLO MY NAME IS ----- WITH THE RESEARCH NETWORK AND WE ARE CONDUCTING A SURVEY ABOUT YOUR CABLE TELEVISION SERVICE. MAY I SPEAK TO THE MALE / FEMALE HEAD OF HOUSEHOLD [ROTATE SEX ACROSS SURVEYS].

A) Do you currently subscribe to cable television?

1) No -----> THANK AND TERMINATE

2) Yes -----> CONTINUE

B) Are you familiar with the term leased access channels?

1) No -----> CONTINUE

2) Yes -----> READ: As you know, (CONTINUE)

1) Leased access channels are channels that are required to be carried by your cable company. These channels are available to the public so that someone can buy air time on a channel. Unlike the channels which are selected by your cable company based upon expected popularity, these channels are programmed at the sole discretion of the person buying the time. Typically, this programming focuses on various topics such as infomercials, home shopping, and ethnically oriented programs. On a scale of 1 to 10 where TEN means 'very appealing' and ONE means 'not at all appealing' how appealing is this type of programming to you?

NOT AT ALL
APPEALING

VERY
APPEALING

1 2 3 4 5 6 7 8 9 10

2) The Federal Communications Commission, which governs your local cable company, has proposed new rules for the pricing of leased access channels. These rules may cause existing channels that are currently carried to be eliminated from your cable service. This includes networks such as Comedy Central, The Family Channel, Lifetime, the TV Food Network, BET, Headline News, and the Prevue Guide Channel. Would you be in favor of these proposed changes?

1) Yes

2) No

3) NOT SURE - VOLUNTEERED ONLY

3) Would this replacement of channels cause you to make any changes in your cable subscription?

1) Yes -----> GO TO QUESTION 3A

2) No -----> GO TO QUESTION 4

3A) What changes would you make? [DO NOT READ LIST]

1) Drop a premium service

2) Discontinue your cable service

OTHER RESPONSES - FILL IN: _____

4) Which of the following statements would best describe your feelings if the networks mentioned earlier were replaced with the leased access channels we have been discussing --

1) My satisfaction with the channels offered would be decreased

2) My satisfaction with the channels offered would remain about the same

3) My satisfaction with the channels offered would be increased

5) If you look at the overall cost for Lifeline, Basic and Satellite service, each of the channels that you receive costs about sixty cents. How much would you be willing to pay for each of the proposed leased access channels you could receive. READ LIST AND THEN GET AN ANSWER --

1) Forty cents or more

2) Twenty-one to Forty Cents

or

3) One to Twenty Cents

6) NOTHING -----> VOLUNTEERED ONLY

A) How long have you had cable service at your current address?

B) In what age group are you..[READ LIST]?

18-29.....1
30-39.....2
40-49.....3
50-64.....4
65 and over....5
Refused.....6

C) Do you live in Broward County twelve months a year or only for part of the year? ASSUMING THIS IS POMPANO BEACH

1) twelve months 2) part of the year

D) Which of the following best describes the highest grade or year you finished in school? -- READ LIST then GET AN ANSWER

1) Did not finish high school
2) High school graduate or GED
3) Vocational school
4) Two-year college degree
5) Some college
6) Four-year college degree
7) Graduate school
8) Other FILL IN: _____

E) I would like to go over some income categories and when I get to the one that best describes your annual household income please tell me to stop -- READ LIST

1) \$20,000 or less
2) \$20,001 to \$40,000
3) \$40,001 to \$60,000
4) \$60,001 to \$80,000
or
5) Over \$80,000

Thank you very much for your time and cooperation.

SEX Female.....1
 Male.....2

ATTACHMENT 3:

SUMMARY OF FINANCIAL IMPACT
OF LOST PENETRATION
ON EBITDA

Continental Cablevision, Inc.
Impact of CLA Rules on Penetration and EBITDA

Data Items:

CCI Wtd.
Avg. Data

Various Demand Scenarios

Best Case Middle Case Worst Case

Total Activated Channels	56			
Must Carry Channels	5			
Activated Channels Subject to Set Aside	51			
Set Aside Requirement	15%			
CLA Set Aside Channels (on BST or CPST)	8			
Channels Used for CLA (based on demand)		2	4	8
Monthly BST + CPST Rate	\$24.00			
EBITDA Margin	50%			
Homes Passed (in 000's)	7,200			
Current Penetration	58.00%			
Impact of CLA on Penetration (per CLA Channel)	-1.0%			
Penetration After CLA		56.00%	54.00%	50.00%
Subscribers After CLA (in 000's)	4,176	4,032	3,888	3,600
Annual Penetration Impact from CLA (in \$000s):				
Monthly BST + CPST Rate	\$24.00	\$24.00	\$24.00	\$24.00
Subscribers	4,176	4,032	3,888	3,600
Monthly BST + CPST Revenue	\$100,224	\$96,768	\$93,312	\$86,400
12 Months	12	12	12	12
Annual BST + CPST Revenue	\$1,202,688	\$1,161,216	\$1,119,744	\$1,036,800
EBITDA Margin	50%	50%	50%	50%
EBITDA	\$601,344	\$580,608	\$559,872	\$518,400
EBITDA Lost Due to CLA		\$20,736	\$41,472	\$82,944
EBITDA Lost Due to CLA per Sub. per Mo. per CLA Channel		\$0.2143	\$0.2222	\$0.2400

ATTACHMENT 4:

**SUMMARY OF CONTINENTAL'S
FILED COST-OF-SERVICE RATES**

**Commercial Leased Access
Cost of Service Franchises
Test Year Data as of 12/31/93 Adjusted**

Region/ Filing Entity:	Per Subscriber Per Month Per Channel Revenue Requirement		
	BST	CPST	Average BST & CPST
<u>Chicago/St. Paul:</u>			
1 Peotone	\$0.84	\$1.00	\$0.94
2 Rolling Meadows	0.80	0.93	0.88
3 Romeoville	0.72	0.82	0.78
4 St. Paul	0.91	0.76	0.82
<u>Florida/Georgia/Virginia:</u>			
5 Jacksonville	0.59	0.63	0.61
6 Peninsula	1.94	2.06	2.01
7 Pompano	0.82	0.92	0.88
<u>Illinois/Iowa:</u>			
8 Jennings	1.34	1.41	1.38
9 Lake St. Louis	0.90	0.99	0.95
10 Overland	1.32	1.38	1.36
11 Scott Air Force Base	0.84	0.95	0.91
<u>New England:</u>			
12 Cambridge	0.89	0.83	0.85
13 Central Area	0.66	0.70	0.68
14 Exeter Acquired	0.55	0.65	0.61
15 Exeter Built	0.71	0.79	0.76
16 Marion	1.24	1.09	1.15
17 Marlborough	0.85	0.91	0.89
18 Middleborough	0.52	0.60	0.57
19 Northern Area	0.61	0.57	0.59
20 Orleans	1.75	1.46	1.57
21 Provincetown	1.76	1.26	1.46
22 Western Area	0.76	0.66	0.70
<u>Southern California:</u>			
23 Los Angeles - Area J	0.55	0.66	0.62
24 Carson	0.66	0.77	0.72
25 Corona	0.61	0.72	0.68
26 Downey	0.58	0.71	0.66
27 Pomona	0.77	0.89	0.84
<u>Western New England:</u>			
28 Holland	0.60	0.71	0.67
29 Northampton New	0.67	0.68	0.68
30 Springfield	0.58	0.55	0.56
31 Westchester (Non-Rebuild)	0.93	1.00	0.97
32 Westchester (Rebuild)	0.00	0.00	0.00
Average	\$0.85	\$0.88	0.87

ATTACHMENT 5:
AFFIDAVIT OF CATHLEEN A. SCHULTZ

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Implementation of Sections of the Cable
Television Consumer Protection and Competition
Act of 1992: Rate Regulation

Leased Commercial Access

MM Docket No. 92-266
CS Docket No. 96-60

AFFIDAVIT OF CATHLEEN A. SCHULTZ

1. My name is Cathleen A. Schultz. I am employed as a senior legal assistant in the law offices of Cole, Raywid & Braverman.
2. As part of my job responsibilities, I frequently conduct research relating to broadcast television stations, including determining the particular stations that serve a given Designated Market Area (DMA). I am familiar with all of the standard industry reference materials providing information regarding such broadcast stations.
3. I was asked by my employer to contact the commercial broadcast television stations within the Washington, D.C. DMA to determine how much those television stations charge for the sale of time to third parties. Based on the *Nielsen Station Index*, I determined the broadcast stations serving the Washington area, as well as the number of television households within that area. I have attached the relevant pages from this reference source to this Affidavit.
4. I telephoned each of the ten (10) commercial stations serving the Washington DMA to obtain information regarding their rates for the sale of time. Nine of the ten responded to my inquiries.

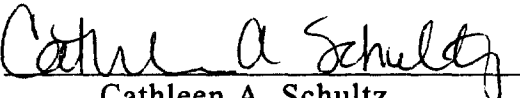
5. All of the stations sell time in blocks of 1/2 hour. With the exception of WTMW (Channel 14), a Home Shopping station in Northern Virginia, none of the broadcasters sold time during "prime time," i.e., early evening time during the week, and in all cases the available times were quite limited. The specific times available from each broadcaster are shown on the attached chart.

6. Based on the information I received, I selected the lowest per-half-hour charge available from each station, irrespective of time period. I averaged these figures together to obtain an average lowest half-hour charge for all of the stations. The result was \$996. Similarly, I selected the highest per-half-hour charge for each station for any time period. The resulting average was \$6,867. I then converted these figures to monthly figures based on an assumed 24-hour day and an assumed 30-day month.

7. For both the highest and the lowest monthly figures, I calculated a per-viewer-per-month rate by dividing the monthly figures by 1,883,590, which is the number of viewers in the Washington DMA (determined from the *Nielsen Station Index*). This produced high and low per-viewer per-month rates of \$0.76 and \$5.25.

8. Finally, to create an illustrative overall rate, I weighted these two figures together, with 90% weighting to the lower figure and 10% weighting to the higher figure. This produced a weighted average per-viewer monthly cost of \$1.21.

Subscribed and sworn to under penalty of perjury.

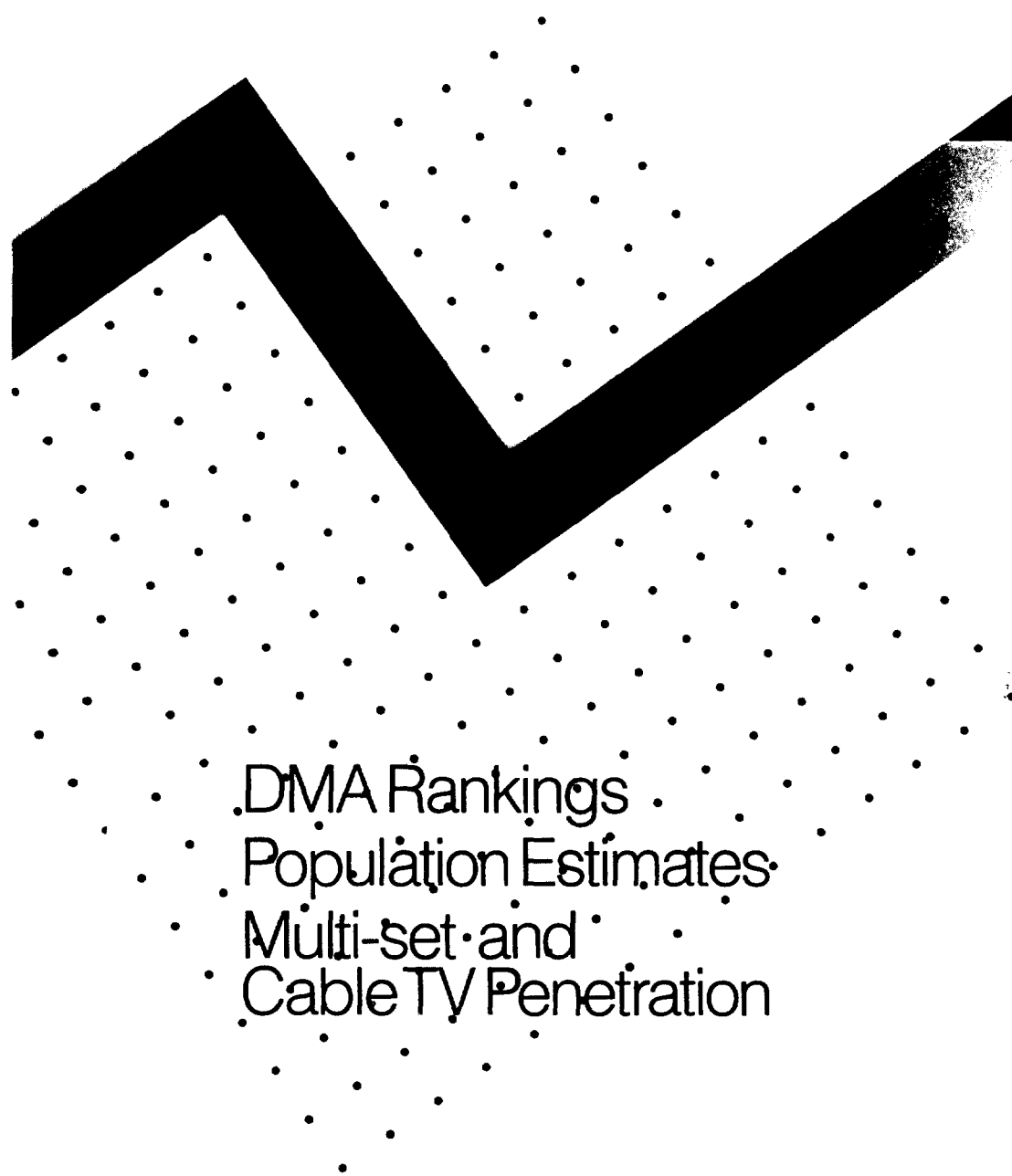

Cathleen A. Schultz

May 14, 1996

US Television
Household Estimates

September
1995

Nielsen Station Index



DMA Rankings
Population Estimates
Multi-set and
Cable TV Penetration

Nielsen

DESIGNATED MARKET AREAS (DMA)

(Stations Within DMA's)

SECTION II

NOTE: For explanation of DMA County Assignments, see page A.

DESIGNATED MARKET AREAS (DMA)

DMA MARKET	STATION	CH.	NTWK. AFFIL.	CITY OF ORIGIN		DMA MARKET	STATION	CH.	NTWK. AFFIL.	CITY OF ORIGIN
St. Louis	KDNL	30	I-F	St Louis, MO		Tucson(Nogales)	KGUN	9	A	Tucson, AZ
	KETC	9	P	St Louis, MO			KHRR	40	I	Tucson, AZ
	KMOV	4	C	St Louis, MO			KMSB	11	I-F	Tucson Nogales, AZ
	KNLC	24	I	St Louis, MO			KOLD	13	C	Tucson, AZ
	KPLR	11	I	St Louis, MO			KTTU	18	I	Tucson, AZ
	KSDK	5	N	St Louis, MO			KUAT	6	P	Tucson, AZ
	KTVI	2	A	St Louis, MO			KUAS	27	P	Tucson, AZ (S)
	WHSI	46	I	St Louis, MO			KVOA	4	N	Tucson, AZ
Syracuse	WCNY	24	P	Syracuse, NY		Tulsa	KDOR	17	I	Bartlesville, OK
	WIXT	9	A	Syracuse, NY			KJRH	2	N	Tulsa, OK
	WNYS	43	I	Syracuse, NY			KOED	11	P	Tulsa, OK
	WSTM	3	N	Syracuse, NY			KOET	3	P	Eufaula, OK (S)
	WSYT	68	I-F	Syracuse, NY			KOKI	23	I-F	Tulsa, OK
	WTVH	5	C	Syracuse, NY			KOTV	6	C	Tulsa, OK
Tallahassee-Thomasville	WAB	17	I	Tallahassee, FL	(L)		KRSC	35	P	Claremore, OK
	WBI	9	I	Tallahassee, FL	(L)		KTFO	41	I	Tulsa, OK
	WCTV	6	C	Thomasville, GA			KTUL	8	A	Tulsa, OK
	WFSU	11	P	Tallahassee, FL			KWHB	47	I	Tulsa, OK
	WTLH	49	I-F	Bainbridge, GA		Tuscaloosa	WCFT	33	C	Tuscaloosa, AL
	WTWC	40	N	Tallahassee, FL			WDBB	17	I-F	Birmingham, Tusca, AL
	WTXL	27	A	Tallahassee, FL		Twin Falls	KIPT	13	P	Boise, ID
Tampa-St. Petersburg	WBHS	50	I	Tampa, FL			KKVI	35	A	Twin Falls, ID
	WCLF	22	I	Clearwater, FL			KMYT	11	C	Twin Falls, ID
	WEDU	3	P	Tampa, FL			KTFT	38	N	Twin Falls, ID (L)
	WFCT	66	I	Bradenton, FL		Tyler-Longview(Lfkn&Ncgd)	KETK	56	N	Jacksonville, TX
	WFLA	8	N	Tampa, FL			KLBS	19	N	Nacogdoches, TX (S)
	WFTS	28	A	Tampa, FL			KFXK	51	I-F	Longview, TX
	WTMV	32	I	Lakeland, FL			KLTV	7	A	Tyler, TX
	WTOG	44	I	St Petersburg, FL			KTRE	9	A	Lufkin, TX (S)
	WTSP	10	C	St Petersburg, FL		Utica	WFVX	33	I-F	Utica, NY
	WTTA	38	I	St Petersburg, FL			WKTV	2	N	Utica, NY
	WTVT	13	I-F	Tampa, FL			WUTR	20	A	Utica, NY
	WUSF	16	P	Tampa, FL		Victoria	KAVU	25	A	Victoria, TX
Sarasota	WBSV	62	I	Venice, FL			KVCT	19	I-F	Victoria, TX
	WWSB	40	A	Sarasota, FL		Waco-Temple-Bryan	KAMU	15	P	College Station, TX
Terre Haute	WBAK	38	I-F	Terre Haute, IN			KBTX	3	C	Bryan, TX
	WTHI	10	C	Terre Haute, IN			KCFN	6	N	Temple, TX
	WTWO	2	N	Terre Haute, IN			KCTF	34	P	Waco, TX
	WUSI	16	P	Olney, IL			KNCT	46	P	Belton, TX
	WVUT	22	P	Vincennes, IN			KWKT	44	I-F	Waco, TX
Toledo	WGTE	30	P	Toledo, OH			KWTX	10	C	Waco, TX
	WNWO	24	A	Toledo, OH			KXXV	25	A	Waco, TX
	WTOL	11	C	Toledo, OH			KYLE	28	I	Bryan, TX
	WTVG	13	N	Toledo, OH		Washington, DC	WDCA	20	I	Washington, DC
	WUPW	36	I-F	Toledo, OH			WETA	26	P	Washington, DC
Topeka	KSNT	27	N	Topeka, KS			WFTY	50	I	Washington, DC
	KTKA	49	A	Topeka, KS			WHMM	32	P	Washington, DC
	KTMJ	6	I	Junction City, KS	(L)		WJLA	7	A	Washington, DC
	KTWU	11	P	Topeka, KS			WNVG	56	P	Falls Church, VA
	WIBW	13	C	Topeka, KS			WNVN	53	P	Goldvein, VA
Traverse City-Cadillac	WCMV	27	P	Cadillac, MI			WRC	4	N	Washington, DC
	WCMW	21	P	Manistee, MI	(S)		WTHW	14	I	Arlington, VA
	WGKI	33	I-F	Cadillac, MI			WTTG	5	I-F	Washington, DC
	WGKU	45	I-F	Vanderbilt, MI	(S)		WUSA	9	C	Washington, DC
	WGTU	29	A	Traverse City, MI			WVVI	66	I	Manassas, VA
	WGTO	8	A	Sault Ste Marie, M	(S)		WVPB	31	P	Hagerstown, MD
	WPBN	7	N	Traverse City, MI			WFPT	62	P	Frederick, MD (S)
	WTOH	4	N	Cheboygan, MI	(S)		WGPT	36	P	Oakland, MD (S)
	WNTV	9	C	Cadillac, MI		Hagerstown	WHAG	25	N	Hagerstown, MD
	WWUP	10	C	Sault Ste Marie, M	(S)		WJAL	68	I	Hagerstown, MD
Tri-Cities, TN-VA	WAP	30	I	Kingsport, TN	(L)	Watertown	WNPE	16	P	Watertown, NY
	WCYB	5	N	Bristol, VA			WNPI	18	P	Norwood, NY (S)
	WEMT	39	I-F	Greeneville, TN			WNNY	7	C	Watertown, NY
	WJHL	11	C	Johnson City, TN			WWTI	50	A	Watertown, NY
	WKPT	19	A	Kingsport, TN		Wausau-Rhineland	WAOW	9	A	Wausau, WI
	WMSY	52	P	Marion, VA			WHRM	20	P	Wausau, WI
	WSBN	47	P	Norton, VA			WLEF	36	P	Park Falls, WI (S)
							WJFW	12	N	Rhineland, WI
							WSAW	7	C	Wausau, WI

A - American Broadcasting Company
C - Columbia Broadcasting System
N - National Broadcasting Company

I - Independent
P - Public Broadcasting System
I-F - Independent/Fox
I-S - Independent/Subscription
P-C - PBS-Commercial
(L) - Low Power
(S) - Satellite

U.S. TV HOUSEHOLD ESTIMATES

MULTI-SET BY DESIGNATED MARKET AREA (DMA)

DMA CODE	DESIGNATED MARKET AREA	TV HOUSEHOLDS (JAN. 1996)	MULTI-SET % (JULY 1995)	DMA CODE	DESIGNATED MARKET AREA	TV HOUSEHOLDS (JAN. 1996)	MULTI-SET % (JULY 1995)
611	ROCHESTR-MASON CITY-AUSTIN	137,650	69	581	TERRE HAUTE	153,120	88
610	ROCKFORD	163,880	74	547	TOLEDO	405,090	72
862	SACRAMENTO-STKTN-MODESTO	1,100,810	72	805	TOPEKA	153,660	65
576	SALISBURY	102,090	74	540	TRAVERSE CITY-CADILLAC	206,020	68
770	SALT LAKE CITY	656,060	71	531	TRI-CITIES, TN-VA	283,890	67
661	SAN ANGELO	49,460	65	789	TUCSON(NOGALES)	343,660	68
641	SAN ANTONIO	638,080	71	671	TULSA	459,320	70
825	SAN DIEGO	908,420	67	620	TUSCALOOSA	57,800	69
807	SAN FRANCISCO-OAK-SAN JOSE	2,257,210	71	780	TWIN FALLS	47,600	80
855	SANTABARBARA-SANMAR-SANLUOB	210,700	62	709	TYLER-LONGVIEW(LFKNBNGD)	222,940	71
507	SAVANNAH	253,830	71	526	UTICA	97,560	65
819	SEATTLE-TACOMA	1,464,150	68	626	VICTORIA	27,970	70
657	SHERMAN-ADA	109,130	64	825	WACO-TEMPLE-BRYAN	273,260	70
612	SHREVEPORT	358,730	70	511	WASHINGTON, DC	1,883,590	75
624	SIOUX CITY	153,280	68	549	WATERTOWN	86,950	64
725	SIOUX FALLS(MITCHELL)	228,730	65	705	WAUSAU-RHINELANDER	172,840	69
588	SOUTH BEND-ELKHART	304,800	75	548	WEST PALM BEACH-FT. PIERCE	576,460	76
881	SPOKANE	388,250	62	554	WHEELING-STEUBENVILLE	157,290	75
543	SPRINGFIELD-HOLYOKE	242,110	69	627	WICHITA FALLS & LAWTON	154,530	69
619	SPRINGFIELD, MO	353,580	62	678	WICHITA-HUTCHINSON PLUS	424,500	67
638	ST. JOSEPH	53,430	62	577	WILKES BARRE-SCRANTON	552,910	72
609	ST. LOUIS	1,108,480	72	550	WILMINGTON	123,890	71
555	SYRACUSE	383,860	70	810	YAKIMA-PASCO-RCHLND-KNMWCK	193,510	66
530	TALLAHASSEE-THOMASVILLE	209,670	68	536	YOUNGSTOWN	274,800	76
539	TAMPA-ST. PETE,SARASOTA	1,395,480	71	771	YUMA-EL CENTRO	82,670	63
				586	ZANESVILLE	31,360	70

**Estimate of Market Value of Video Channel, Per-View Per Month
Based on Over-the-Air Charges In The Washington ADI**

Station	\$/Half Hour, Lowest	Lowest Average Rate/Viewer/Month	
WRC	\$ 2,500	Half-Hours Per Day:	48
WJLA	\$ 2,000	Average Lowest Cost/Half-Hour:	\$ 996
WTTG	\$ 1,000	Average Lowest Cost/Day:	\$ 47,787
WTMW	\$ 950	Assumed Days/Month:	30
WUSA	\$ 800	Average Lowest Cost/Month:	\$ 1,433,600
WBDC	\$ 750	TV viewers in DC ADI	1,883,590
WDCA	\$ 500	Average Lowest Cost/Viewer/Month	\$ 0.76
WHAG	\$ 350		
WJAL	\$ 110	Highest Average Rate/Viewer/Month	
Average	\$ 996	Half-Hours Per Day:	48
		Average Highest Cost/Half-Hour:	\$ 6,867
Station	\$/Half Hour, Highest	Average Highest Cost/Day:	\$ 329,600
WTTG	\$ 25,000	Assumed Days/Month:	30
WJLA	\$ 18,000	Average Highest Cost/Month:	\$ 9,888,000
WUSA	\$ 10,000	TV viewers in DC ADI	1,883,590
WRC	\$ 2,500	Average Highest Cost/Viewer/Month:	\$ 5.25
WBDC	\$ 2,500		
WDCA	\$ 1,400	Weighted Average Calculation	
WHAG	\$ 1,200	Weight to lowest rate	90%
WTMW	\$ 1,000	Weight to highest rate	10%
WJAL	\$ 200	Lowest rate, weighted	\$ 0.68
Average	\$ 6,867	Highest rate, weighted	\$ 0.52
		Weighted Average	\$ 1.21

Station	Times Available	Rate(s) Per Half Hour
WTTG	2-3 a.m. (all days)	\$1,000-\$3,500
	5-5:30 a.m. (Sat)	\$1,200
	10-11 a.m. (Sun)	\$12,000-\$35,000
WJLA	12:30-1:00 p.m. (Sun)	\$18,000
	3:00-3:30 a.m. (Sat)	\$2,000
WUSA	1:35-5:30 a.m. (Sun)	\$1,500-\$3,000
	2:05-5:30 a.m. (Sat)	\$800-\$2,500
	12:00-6:00 p.m. (Sat & Sun)	\$10,000
WRC	2:30-3 a.m. (Sat)	\$2,500
WBDC	10:00-10:30 a.m. (M-F)	\$1,350
	1:00-1:30 a.m. (M-F)	\$900
	10:00-11:00 a.m. (Sun)	\$2,000-\$2,500
	12:00-1:30 a.m. (Sun)	\$750-\$1,000
WDCA	5:30-6:00 a.m. (Sat)	\$700
	1:00-2:00 a.m. (Sun)	\$1,200-\$1,400
	5:00-6:00 a.m. (Sun)	\$500-\$600
WHAG	1:00-7:00 p.m. (Sat & Sun)	\$900-\$1,200
	7:00-7:30 a.m. (Sun)	\$350-\$500
WTMW	all	\$950-\$1,000
WJAL	9:30-10:00 a.m. (Sun)	\$200
	11:30 p.m.-12:00m (Sat & Sun)	\$200
	12:30-1:00 a.m. (M-Th)	\$110
	1:00-2:00 p.m. (M-F)	\$175